



CITY OF CITY OF SOLANA BEACH
COMMUNITY DEVELOPMENT DEPARTMENT
635 South Highway 101 • Solana Beach • California • 92075-2215

Transmittal

TO: Department of Housing and Community Development
FROM: Mary Blais, Interim Community Development Director *MB*
DATE: September 10, 2007
SUBJECT: Annual Housing Element Progress Report

As required by the State Department of Housing and Community Development, the City is transmitting a copy of its completed Annual Housing Element Progress Report.

HOUSING POLICY
DEVELOPMENT, HCD
SEP 12 2007

Department of Housing and Community Development

ANNUAL HOUSING ELEMENT PROGRESS REPORT

City or County Name: City of Solana Beach

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Reporting Period by Calendar Year: from January 1, 2003* to June 30, 2007

***NOTE:** *In order to more accurately represent progress toward meeting its regional share, the City has chosen to report housing activity for the full 7 ½ year period covered by the RHNA Allocation.*

These forms and tables, (see sample – next page) must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1, of each year; submit separate reports directly to both HCD and OPR (Government Code Section 65400) at the addresses listed below:

Department of Housing and Community Development

Division of Housing Policy Development

P.O. Box 952053

Sacramento, CA 94252-2053

-and-

Governor's Office of Planning and Research

P.O. Box 3044

Sacramento, CA 95812-3044

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Solana Beach
Reporting Period	01-Jan-03 - 30-Jun-07

Table A
Annual Building Activity Report
Very Low-, Low-, and Moderate-Income Units and Mixed-Income Multifamily Projects

Housing Development Information										Housing with Financial Assistance and/or Deed Restrictions	Housing without Financial Assistance or Deed Restrictions
1	2	3	4				5	6	7	8	
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Assistance Programs for Each Development See Instructions	Deed Restricted Units See Instructions	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.	
			Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income					
N. Cedros Seaside*	5+	O		3			3	RDA	3		
Seabright	SU	O		1			1	SDUO**	1		
346 S. Rios	SU	O		1			1	SDUO**	1		
524 Ridgeline	SU	O		1			1	SDUO**	1		
313 San Lucas	SU	O		1			1	SDUO**	1		
548 N. Rios	SU	O		1			1	SDUO**	1		
(9) Total of Above Moderate from Table A2							110				
(10) Total by income units (Field 5) Table A							118				

* See narrative, Housing Element Program 5

** Second Dwelling Unit Ordinance; Housing Element Program 2

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Solana Beach
Reporting Period	01-Jan-03 - 30-Jun-07

Table A2

Annual building Activity Report Summary for Above Moderate-Income Units
(not including those units reported on Table A)

	Single Family	2 - 4 Units	5+ Units	Second Unit	Mobile Homes	Total
No. of Units Permitted for Above Moderate	103	7				110

(CCR Title 25 §6202)

Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2003	2004	2005	2006	1/2 2007	Year 6	Year 7	Year 8	Year 9	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level		RHNA Allocation by Income Level										
Very Low	Deed Restricted	30										30
	Non-deed restricted											
Low	Deed Restricted	22		5	1	2					8	14
	Non-deed restricted											
Moderate	Deed Restricted	25										25
	Non-deed restricted											
Above Moderate		53	15	39	24	8					110	-57
Total RHNA by COG. Enter allocation number:		130										12
Total Units ▲ ▲ ▲ ▲		15	39	29	25	10					118	
Remaining Need for RHNA Period ▲ ▲ ▲ ▲ ▲ ▲ ▲ ▲ ▲ ▲												

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Solana Beach
Reporting Period	01-Jan-03 - 30-Jun-07

Table C
Program Implementation Status

Program Description (By Housing Element Program Names)	Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including progress in removing regulatory barriers as identified in Housing Element .		
Name of Program	Objective	Deadline in H.E.	Status of Program Implementation
Encourage Mixed Use Development	Inventory sites and initiate planning	1-Jul-08	See narrative.
Encourage Second Dwelling Units	Prepare promotional materials	Ongoing	5 units have been constructed from 7/2005 to 7/2007.
Density Bonus Program	Update ordinance and implement	27-Jun-05	The City has adopted the State density bonus law (SB 1818) and has two projects under consideration totaling 5 affordable units.
Inclusionary Housing Program	Ongoing	31-June-2010	No projects.
Redevelopment and/or Replacement Housing	Ongoing	31-June-2010	See narrative Program 1; City set aside 3 units with RDA funds in June 2005 and will use the train station site for further replacement housing.
Address and Mitigate Constraints	A. Review Inclusionary Program; B-D. Monitor permit processing & make code revisions; and E. Housing Element Report	A. 31-June-2007; B-D. 31-July 2006; E. Ongoing	A. No projects; B.-D. The City has funded an update to its codes during FY 2008 which will address items B through D; E. Subject of this report.
Homeless Shelter/Transitional Housing Site Information/Encourage Mixed Use Development	Ongoing	31-June-2010	The City continues to contribute to North County Coalition; see above program for code revisions.
Illegal Unit Conversion	Ongoing	31-June-2010	No conversions have been processed.

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Solana Beach
Reporting Period	01-Jan-03 - 30-Jun-07

Table C
Program Implementation Status, continued

Preserve At Risk	Ongoing	31-June-2010	Continued to monitor progress.
Section 8 Rental Assistance	Ongoing	31-June-2010	Continued to coordinate with the County HCD regarding implementation.
Capital Improvements Program	Ongoing	31-June-2010	Continued to implement the CIP program.
Condominium Conversion Policy	Ongoing	31-June-2010	Only one project was processed, and the 10% policy applied to the 3 unit development was not large enough to require a unit (0.3 of a unit).
Residential Code Enforcement	Revisit after two years	31-June-2010	Continued to implement the Code Enforcement program.
Residential Rehabilitation	Ongoing	31-June-2010	No applicants during the last two years.
Mortgage Credit Certificate (MCC)	Ongoing	31-June-2010	No applicants during the last two years.
Distribute Fair Housing Information	Ongoing	31-June-2010	The City will provide additional brochures at appropriate locations at the City within the next 12 months.

Narrative Comments Associated with Table C: Housing Element Implementation

ANNUAL HOUSING ELEMENT PROGRESS REPORT

Program 1: Mixed-Use Development Strategy, Overview

As part of the City of Solana Beach's conditionally approved Housing Element, the City proposed to carry out three activities to encourage mixed-use development under Program 1 (Encourage Mixed-Use Development). The Housing Element received a determination of compliance with state law from the Department of Housing and Community Development (HCD) on January 10, 2007 with the following conditions: (1) approval of the NCTD site proposal (131 units on 5.5 acres) or other developments with the equivalent residential capacity and affordability; and (2) the successful implementation of Program 1 (Encourage Mixed-Use Development) to encourage residential capacity in mixed-use development and establish mixed-use standards by September 2007.

The proposal described in the Housing Element for 131 units with 13 units affordable to lower income households has been discussed a number of times at the policy level. The City received a development application from the North County Transit District (NCTD) and Sheadona LLC, on June 14, 2004, for a Mixed-Use Solana Beach Train Station Project (currently referred to as Cedros Crossing). The Final Environmental Impact Report (EIR) has been prepared and was released to the public on January 16, 2007. At the January 24, 2007 City Council meeting the Council voted to hold public hearings and take public testimony on the Final EIR. Since that time the City has held three public hearings to consider certification of the Final EIR and will hold another meeting in the coming months.

While the NCTD proposal could be realized during the current Housing Element cycle, the City will be taking two concurrent steps to ensure compliance with HCD conditions, in the event that the current NCTD project is not approved. These steps include: (1) Encouraging residential capacity in mixed-use development by utilizing its mixed-use standards by the fall of 2007, in order to strategically position the City so that it is in compliance with Housing Element requirements; and/or (2) Identifying alternative developments that have the equivalent residential capacity and affordability of the NCTD site should that development be delayed and/or redesigned in a way that would be inconsistent with the description in the Housing Element.

The Council-approved Housing Element contains three actions under Program 1 that would facilitate and encourage mixed-use development in the City:

Program 1A: Identify Potential Areas for Mixed-Use Development

Program Description (per Housing Element): The City stated that it would conduct workshops within the community (see actions related to profit and non-profit developers below, Program 1C) to identify areas which may offer potential for the development of mixed-use projects in the City. The City stated that it would identify potential categories of areas for mixed-use development and work with the community to specify potential sites.

Objectives (per Housing Element): The City stated that it would inventory potential sites within 12-18 months of the adoption of the Housing Element; it proposed to focus on 1-2 sites, depending on their size and unit yield potential, within 24 months of the adoption of the Housing Element.

Deadline in Housing Element: The City would initiate planning and regulatory procedures to have the site(s) available before the end of this Housing Element cycle (July 1, 2010).

Status of Implementation: The City will conduct workshops with the community (see actions related to profit and non-profit developers below, Program 1C) to identify areas which may offer potential for the development of mixed-use projects in the City beginning in September 2007. The City would identify potential site(s) for each of the categories of areas for mixed-use development and work with the community to specify specific sites. These categories would include, but not necessarily be limited to:

- Older commercial centers needing revitalization;
- "Smart growth" potential areas, especially those centering around high level of service transit nodes;
- Areas where planned infrastructure would enable infill or additional residential development to occur;
- Existing residential areas where vacant lots/infill provide potential for additional residential capacity; and
- Areas where redevelopment and/or CDBG investments could be used to complement residential development, especially affordable housing.

Three workshops would be held from September 2007 to January 2008. The City will proceed through this process with the objective of identifying sites with the potential to address the regional share, especially the affordable housing portion of that share. The City Council would then consider any necessary changes to the zoning and planning associated with these sites that would facilitate their development during this Housing Element's time frame (2005 to 2010). The Council action should be completed by mid-2008 with an objective of facilitating actual development by the first half of the year 2010.

The City would propose to approach this activity as a part of a collaborative effort with other North County coastal cities and SANDAG. In that way, the City could use its local land use planning processes to strategically position it to be more competitive for smart growth discretionary funding and to strengthen the local planning connection to SANDAG's efforts to identify Smart Growth Opportunity Areas (SGOA) as part of the Regional Comprehensive Plan (RCP). The City may wish to use the SGOA standards and definitions of the RCP effort as the initial input as part of the City's workshops.

The first workshop would review the Highway 101 Corridor's mixed-use development standards for potential revision(s) and or amendment(s) that would enable a more effective conversion of those standards to a citywide set of mixed-use development standards. It also would review the above five categories of areas for mixed-use development and gain agreement on some potential areas that may fit under each category.

The second workshop would continue this effort and identify several potential sites that could fit under each category, evaluate their potential for mixed-use and any

appropriate affordable housing component, and rank each site for its potential to provide mixed-use development and affordable housing. The third and final workshop in fiscal year 2007 would be to review the top priority sites for their mixed-use and affordable housing potential, applying the mixed-use standards and/or any modifications of the standards that would facilitate mixed-use. These sites then would be brought to City Council for their consideration. The Council could then direct the staff to use Programs 1B and 1C to encourage their development as mixed-use projects with the appropriate affordable housing component.

The City will then initiate planning and regulatory procedures to have the site(s) available before the end of this Housing Element cycle.

Program 1B: Facilitate Mixed-Use Development

Program Description: To facilitate mixed-use development, the City will utilize its mixed-use development standards so that the development meets the City's development standards that encourage their use, promote approval certainty, and enhance neighborhood character. The City continues to monitor the mixed-use development standards to identify and mitigate any potential constraints, including evaluation of parking requirements or other development standards, zoning incentives, fee reductions or assistance in obtaining financing, and/or funding and development assistance for mixed-use projects.

Objectives: In conjunction with Programs 1A and 1C, the City stated that it would conduct an analysis of potential mixed-use constraints as part of the mixed-use workshops and site identification process.

Deadline in the Housing Element: The potential constraints to mixed-use would be identified within the 12-18 months of the adoption of the Housing Element and actions to remove and/or mitigate the constraints would be identified 18-24 months from the adoption of the Housing Element.

Status of Implementation: The City will take a number of actions to insure that this activity is undertaken in accordance with the Housing Element's proposed schedule. In the fall of 2007, the City initially will use the appropriate mixed-use segments (see workshop descriptions), including the mixed-use development standards, of the Highway 101 Corridor Specific Plan as amended by Ordinance 346, effective July 28, 2006 as guidelines for future potential mixed-use developments throughout the City. The Specific Plan contains mixed-use standards that address residential, commercial, and mixed-use development for five sub-areas in the Highway 101 Corridor. The Plan, as approved, contains chapters that set policy for the vision, urban design concepts, and development standards for mixed-use projects. Thus, the Specific Plan offers a model that addresses all the necessary components of mixed-use development standards and that could be applied citywide, with appropriate revisions dictated by specific site characteristics, in response to the Housing Element Program and HCD's conditions.

The advantage of this approach is that: the Corridor Specific Plan is a recent and thorough document that contains all of the essential components of mixed-use development standards; the Council already has approved these standards for the Highway 101 Corridor and would be more familiar and comfortable with using existing policy as a guide; the five sub-areas within the Corridor contain many of the

characteristics found in most of the other areas in the City outside the Corridor and would be applicable to most, if not all, of the potential mixed-use sites; and the City could use these guidelines for future mixed-use proposals and would only have to modify or address the standards should unique site conditions exist on sites where future mixed-use proposals may occur. Conditions such as potential geographic and site configurations, environmental constraints, access to the site, and/or adjacent development impacts that could impact the site should be taken into account as the specific mixed-use standards are applied for the site.

Program 1C: Increase Awareness of the Potential for Mixed-Use Development

Program Description: The City stated it would continue to work to increase developer awareness of the potential for mixed-use development. The City would continue to pursue both for-profit and non-profit developers to determine the best method to implement this program. Options could include (but would not be limited to) conducting additional workshops with developers, meeting with the Building Industry Association, and/or training staff members to meet with individual developers to promote the City's mixed-use program. Additionally, the City would continue to provide technical support to developers proposing mixed-use projects.

Objectives: The City stated that it would hold regularly scheduled workshops, at least bi-annually, with for profit and non-profit developers, prepare materials for potential developers regarding the mixed-use opportunities, and identify actions to facilitate mixed-use development.

Deadline in the Housing Element: The first workshop would be held within 24 months of the adoption of the Housing Element, and the City would encourage that effort to be part of a collaborative effort with other North County coastal cities and SANDAG.

Status of Implementation: The same workshops that were identified in the above Progress Actions also would be used to fulfill the requirements agreed to in Housing Element Program 1C through the current fiscal year. After that, the City will conduct workshops on a biannual basis to insure continuing follow-up with the results from the workshops described in Programs 1A and 1B Progress Actions. As part of the scheduled workshops during the fall of 2007 through January 2008, the City would especially encourage the participation of profit and non-profit developers through individual solicitation of participation, establishment of an extensive list of appropriate participants to insure a broad range of both for-profit and non-profit entities, preparation of materials for potential for-profit and non-profit developers regarding the mixed-use opportunities and identification of actions to facilitate mixed-use development that result from these workshops.

Program 1D: Federal and State Programs

Program Description: The City stated that it would regularly review potential federal and state housing financing and subsidy programs for their potential availability to Solana Beach. If the programs could be reasonably thought to be available to Solana Beach, the City would work with the appropriate developers and non-profits to identify, facilitate, and support feasible funding application(s). This program also would entail the provision of City staff assistance to developers of housing for lower

income housing that would include assessing the potential for using the results of the site identification process (see Program 1 A) and assessing the potential to match one or more of these sites to applicable federal and state programs. Included in this assistance would be pre-application meetings to help the applicant with identifying potential approaches to address design and site requirements.

Objectives: The City stated that it would regularly review such activities.

Deadline in the Housing Element: Ongoing.

Status of Implementation: The City continues to monitor these programs, and to date no projects have been identified that would use federal or state housing programs.

Program 2: Encourage Second Dwelling Units

Program Description: The City stated that it would encourage the development of affordable second dwelling units, equitably distributed throughout the entire city, without placing undue constraints on the developers of these units. Second dwelling units provide housing for family members, students, the elderly, in-home health care providers, persons with disabilities, and others, at below market prices within existing neighborhoods. The City currently has a second dwelling unit ordinance, and the City will continue to encourage the development of second dwelling units. Therefore, the City will continue to explore methods to facilitate development. The City is committed to providing incentives that could include, but would not be necessarily limited to, offering direct financial incentives, waiving fees, continuing to assess development standards, or implementing a faster permit approval process for these units.

Objectives: The City stated that it would prepare promotional materials that identify the City's commitment and potential available resources for the Second Unit program within 18 months of the adoption of the Housing Element. The City also will evaluate the progress that it makes from 2005 to 2007 and 2007 to 2010 in order to assess the program's effectiveness and take appropriate remedial action if necessary, and regularly review such activities.

Deadline in the Housing Element: Ongoing.

Status of Implementation: Five units have been constructed from 7/2005 to 7/2007. Based upon this progress, the City will not be taking any immediate remedial actions but will continue to encourage and evaluate the progress of the program. Informational brochures still have not been prepared but the City will prepare the brochures within the next 12 months.

Program 3: Density Bonus Program

Program Description: The City stated that it would implement its own density bonus ordinance to facilitate developer use of this program, and to comply with state law. The terms of the City's density bonus ordinance will be updated to comply with new State Density Bonus law (SB 1818).

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Six months.

Status of Implementation: The City has adopted the state ordinance for density bonuses and has two projects under active review that potentially will generate five affordable units.

Program 4: Inclusionary Housing Program

Program Description: The City stated that it would continue to implement its inclusionary housing program. This program requires that housing developers of five or more units provide a percentage of the total units in the development for very low and low income households. Units can be provided on or off site, through new construction or acquisition and rehabilitation of existing units. The number of affordable units required is ten percent, with rounding up at increments of 5, 15, 25, etc. For example, this process results in ranges from one unit for developments of 5 to 14 units, to four units for developments of 35 or more units.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Ongoing.

Status of Implementation: The City has had one project that fell under the Inclusionary Program; however, it entailed only 3 units and the resultant requirement for affordable units would have been 0.3 units, which did not meet the threshold requiring an affordable unit (at least five units).

The City has two projects under consideration: Solana Del Mar Condos, an eight unit development that would produce one affordable unit, which is pending discretionary approval and L & S Mixed-Use project, a six unit development that would produce one affordable unit, which has discretionary approval issued but may not be constructed. However, the applicant has contemplated making a request for 12 units (resulting in one affordable unit).

Program 5: Redevelopment and/or Replacement Housing

Program Description: The City stated that it would continue its process to identify and further refine a strategy for the implementation of a housing program(s) funded by redevelopment set-aside monies. The City has tentatively estimated set-aside funds as part of their redevelopment activities. These estimates, based upon preliminary assumptions of redevelopment progress and property value increases, show a little over \$1 million accumulating by the year 2010. Although the fund accumulation is rather modest in the first few years (a little over \$200,000 in the first two years), the set-aside funds would be an important housing resource by the end of this Housing Element cycle if the funds accumulate at the level that the City has estimated. The City will continue to look for sites on which to develop the required replacement housing. Although the City was not able to find a site adequate to develop the 13-40 units of lower income housing necessary to meet the replacement requirement during the last Housing Element cycle, the North County Transit District (NCTD) mixed-use site surrounding the existing train station presently holds the greatest potential for affordable housing.

Objectives: The City stated that it would assess the financial performance and accrual of redevelopment funds during the first two years of the Housing Element cycle, and in 2007-2008 it will recommend a redevelopment finance strategy for further implementation of the

Housing Element objectives and programs. At the end of the second year of the Housing Element cycle, the City will identify a funding strategy for the use of redevelopment funds, including the 20 percent set-aside, for lower income housing. At this point the City will have a two year track record to use to assess the revenue profiles and should have accumulated enough funds to initiate the preparation of the strategy. The City will adopt a funding strategy in year three and begin implementation upon approval of the program array. The City had a less than favorable experience with previous redevelopment activities and wants to be fiscally responsible as it proceeds with this phase of redevelopment.

Deadline in the Housing Element: Ongoing.

Status of Implementation: The City used RDA funds to buy down covenants and establish 45 year deed restrictions for three low income units for disabled households as part of the North Cedros Seaside project in June 2005. The City continues to assess its finances and accrual of redevelopment funds. It has prepared a strategy as part of its redevelopment plan and will continue to investigate opportunities for RDA funding for affordable housing, especially the train station site and other venues where it can combine its resources.

Program 6: Address and Mitigate Constraints to Housing Development, Overview

State law requires that cities address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing. In Solana Beach, two potential governmental constraints will continue to be assessed: the City's inclusionary housing ordinance and the City's permit processing procedures. The following program subsets address these constraints:

Program 6A: Review Inclusionary Housing Ordinance

Program Description: The City of Solana Beach's inclusionary housing program requires that housing developers of five or more units provide a percentage of the total units in the development for very low and low income households (during the past Housing Element cycle, the City eliminated the in-lieu fee provisions). Currently, the City provides developers with a number of options for providing the affordable units instead of paying the in-lieu fees. To facilitate the continued use of this program, the City will continue to provide incentives as required by City ordinance to the developers of affordable inclusionary housing units. Such incentives could include reduced development standards such as reduced setbacks or square footage requirements and any other regulatory incentives or concessions which result in identifiable cost reductions.

Objectives: The City will review its Inclusionary Program and its effectiveness within 24 months (from Housing Element adoption).

Deadline in the Housing Element: Within 12 months.

Status of Implementation: (See Program 4)

Program 6B: Monitor Permit Processing Procedures

Program Description: The City stated that it would continue to monitor its permit processing procedures over the Housing Element period to ensure that they are not acting as a constraint to the development of housing. If the City begins receiving applications for residential projects that would require discretionary review, the City would continue to review the current requirements and determine if any revisions would be necessary to mitigate potential constraints. Examples of potential revisions might include changing the current guidelines for projects requiring a discretionary review or developing a priority processing system.

Objectives: The City will include the results of this monitoring and need for potential revisions as part of the City's annual General Plan implementation report.

Deadline in the Housing Element: Within 12 months.

Status of Implementation: The City's monitoring did not provide any indication of a need to make any revisions. However, the City will continue to monitor its permit processing procedures to insure that it does not impose any significant constraints.

Program 6C: Zoning Code Revisions and or Clarifications Regarding Emergency Shelters and Transitional Housing

Program Description: The City stated that it would revise and/or clarify its zoning code to insure that transitional housing and temporary shelters are identified and defined as eligible uses within residential care facilities, group care or congregate care facilities and, therefore, would become explicit uses under that category.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Within 18 months.

Status of Implementation: The City has programmed funds in FY 2008 for an evaluation and revisions to its zoning ordinance. As part of that work, the City will revise and/or clarify its zoning code to insure that transitional housing and temporary shelters are identified and defined as eligible uses within residential care facilities, group care or congregate care facilities and, therefore, would become explicit uses under that category.

Program 6D: Constraints for Persons with Disabilities

Program Description: The City stated that it would continue to take actions to accommodate the approval of group homes, ADA retrofit efforts, ADA compliance and/or other measures through the implementation of Title 24, as well as to provide flexibility in the development of housing for persons with disabilities. The City had already implemented this program; it recently (2005) approved three lower income units that were designed to be ADA compliant (see Program 1). The City also stated that it would establish a formal procedure for providing reasonable accommodation in zoning and land use rules and regulations. This procedure will facilitate the development, maintenance and improvement of housing for persons with disabilities. Also, the City would evaluate its definition of family and revise the

definition to ensure the City's zoning does not constrain the development of housing for persons with disabilities or residential care facilities.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: The City will establish a formal reasonable accommodation procedure, evaluate the definition of family, and take appropriate action within 18 months of the adoption of the Housing Element.

Status of Implementation: The City has programmed funds in FY 2008 for an evaluation and revisions to its zoning ordinance. As part of that work, the City will revise and/or clarify its zoning code to insure that this procedure will facilitate the development, maintenance and improvement of housing for persons with disabilities. Also, the City would evaluate its definition of family and revise the definition to ensure the City's zoning does not constrain the development of housing for persons with disabilities or residential care facilities.

Program 6E: Housing Element Consistency and Monitoring

Program Description: The Housing Element was drafted by the City and assessed for consistency with other elements of its General Plan and coastal policies throughout the process. This assessment reviewed: the goals and policies in the Housing Element for consistency with the General Plan goals and policies; the key elements of the general plan, including the Land Use Element, the Circulation Element, and the Open Space, and Conservation elements for consistency with their respective parts of the Housing Element; the constraints section of the Housing Element with the General Plan implementation strategies as well as current City policies and procedures, including redevelopment, permitting procedures, and public works fees and procedures; and other data and demographic sources. Although some of the information in the Housing Element is more current, the Housing Element is consistent with other important planning and policy procedures of the City, especially the General Plan. The City will continue to monitor the Housing Element as part of its annual General Plan implementation report and at various points during this Housing Element cycle as identified in the programmatic commitments made in this document.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Ongoing, as part of the annual General Plan implementation report and as part of the schedule for the various programs as identified in the program section of the Housing Element.

Status of Implementation: The City has continued to monitor the Housing Element as part of its annual General Plan implementation report and as part of this Annual Report and programmatic commitments made in this document.

Program 7: Homeless Shelter/Transitional Housing Site Identification

Program Description: The City stated that State law requires that cities identify sites that are adequately zoned for the placement of homeless shelters and transitional housing. Additionally, they must not unduly discourage or deter these uses. To ensure compliance with this requirement, the City will continue to review its current process for the siting of

these uses. If the process is found to create undue restrictions on these uses, the City will modify its zoning ordinance accordingly.

Due to the near nonexistence of homeless, migrant farm workers, or laborers in the City, it was not necessary to identify sites that are adequately zoned for the placement of homeless shelters and transitional housing. The City stated, however, that it would continue to monitor its current process to ensure that its current processes do not unduly discourage or deter the placement of homeless shelters and transitional housing. In addition the City would amend its zoning ordinances and development standards to encourage and facilitate the development of transitional housing, emergency shelters, and housing for agricultural workers by adding those categories as explicit uses within the residential definitions.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Ongoing and within the first 12 months of adoption for the explicit use amendments.

Status of Implementation: The City continues to contribute to North County Coalition. Also, the City has programmed funds in FY 2008 for an evaluation and revisions to its zoning ordinance. As part of that work, the City would amend its zoning ordinances and development standards to encourage and facilitate the development of transitional housing, emergency shelters, and housing for agricultural workers by adding those categories as explicit uses within the residential definitions.

Program 8: Illegal Unit Conversion

Program Description: The City had a large number of second dwelling units that were constructed or converted illegally (without required permits) and did not meet City codes upon incorporation. Many of these units provide affordable housing opportunities that may not otherwise be available. In response to this issue, the City developed a program for illegal unit conversion. This program allows homeowners with illegally established second dwelling units on their property to apply for legalization. It allows the illegal units to exist in perpetuity provided that the units:

- Comply with the current Uniform Building Code and meet City zoning and development standards to the maximum extent feasible;
- Meet the minimum dwelling unit size standards; and
- Are rented to only very low or low income households.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Ongoing.

Status of Implementation: No conversions have been processed.

Status of Program 9: Preserve Existing At Risk Units

Program Description: Based upon research conducted during the update to the Housing Element, it was determined that the Solana Park Apartments affordability covenant extends until the year 2013 and, therefore, is not at risk of losing its affordability during the current and next housing element cycles. The Silverado Apartments conversion occurred during the prior (1994-1999) Housing Element cycle; the units were converted to market rate only when

current tenants move out. However, the Del Mar Turf Club Apartments potentially could be at risk during the next cycle (2011).

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Ongoing.

Status of Implementation: The City has initiated a program and conducted an analysis regarding the Del Mar Turf Club Apartments. Based upon the existing County of San Diego program and policies, after 2010 (or if the bonds are paid off sooner), the units are to remain available to the very low income tenants then occupying such units until one of four events happen: 1) household income exceeds 140 percent of the income at which such household would qualify as a very low income tenant, 2) the household voluntarily moves out or is evicted for "good cause", 3) thirty years after the commencement of the project period, and 4) the owner pays for the relocation of the tenant(s). The owner has still not indicated what his intentions are. The City will continue to commit to monitoring the progress of such a determination, and, based upon the results of that monitoring, facilitate the necessary non-profit corporations' capacity to acquire and manage, assist or support funding applications, and provide tenant counseling.

Program 10: Section 8 Rental Assistance

Program Description: The City stated that it would continue to contract with the San Diego County Housing Authority to administer the Section 8 Rental Assistance Program, and would support the County's applications for additional Section 8 allocations. This program provides rental assistance to eligible very low and low income households. The subsidy represents the difference between the rent that exceeds 30 percent of a household's monthly income and the actual rent charged.

The City publishes flyers in both English and Spanish notifying residents and landlords of the availability of Section 8 rental assistance.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Ongoing.

Status of Implementation: Continued to coordinate with the County HCD regarding implementation of the Section 8 program.

Program 11: Capital Improvements Program

Program Description: To ensure the adequate delivery of public services and facilities, the City annually prepares and adopts as part of its annual budget process a multi-year program of capital improvements. The program does not focus on major infrastructure improvements since the City is already 98 percent developed. The primary focus of the program is repair and maintenance activities.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Ongoing.

Status of Implementation: The City continues to ensure the adequate delivery of public services and facilities through the annual preparation and adoption, as part of its annual budget process, of a multi-year program of capital improvements.

Program 12: Condominium Conversion Policy

Program Description: A primary goal of the City is to preserve existing rental housing. Therefore, the City stated that it would consider requests for the conversion of existing rental housing of ten or more units to condominium units only when the rental vacancy rate exceeds 6 percent. The rental vacancy rate shall include occupied rental housing, rented but not yet occupied units, vacant for rent units, and rental units unoccupied but having received a certificate of occupancy. In the event that a conversion request was granted, the City would have required that 10 percent of the housing units be reserved for occupancy by very low and low income households.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Revisit subject within the next two years or sooner depending upon market developments.

Status of Implementation: The City has had one project that fell under the Inclusionary Program; however, it entailed only 3 units and the resultant requirement for affordable units would have been 0.3 units, which did not meet the threshold requiring an affordable unit (at least five units).

The City has two projects under consideration: Solana Del Mar Condos, an eight unit development that would produce one affordable unit, which is pending discretionary approval and L & S Mixed-Use project, a six unit development that would produce one affordable unit, which has discretionary approval issued but may not be constructed. However, the applicant has contemplated making a request for 12 units (resulting in one affordable unit).

Program 13: Residential Code Enforcement

Program Description: The City's code enforcement program involves several components. The housing stock in need of improvement is identified by complaints made to the City and periodic reconnaissance surveys to check on housing conditions. Obvious code violations are quickly acted on by staff. Staff also works with individual property owners to address problems and discuss any financial assistance that may be available.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Ongoing.

Status of Implementation: The City continues to enforce its codes. However, the levels of code violations related to substandard housing are low.

Program 14: Residential Rehabilitation

Program Description: The County of San Diego's Department of Housing and Community Development rehabilitates owner occupied single family units, mobile home units, and

multi-family rental units for lower income residents of the County. This program is available to residents of Solana Beach. As the housing stock in Solana Beach ages, the need for rehabilitation programs will increase. In response, the City of Solana Beach stated that it would distribute information regarding the Residential Rehabilitation Program. The Residential Rehabilitation Program addresses a wide range of rehabilitation needs. These include minor repairs as well as substantial structural, heating, electrical, or plumbing modifications, as well as technical assistance with applying for loans, housing inspections, and construction inspections. The City stated that it would provide materials and make them available at the Community Development Department (Permitting Counter) and other appropriate public venues. In addition the City promotes the program with appropriate applicants as part of the development review process.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Ongoing.

Status of Implementation: The City is in the process of obtaining the necessary brochures and will have them available in a very short time. The City still continues to work with individual applicants but there are very limited opportunities for this program to work in Solana Beach.

Program 15: Mortgage Credit Certificates (MCC's)

Program Description: Homeownership can be a key to maintaining a healthy community. The Mortgage Credit Certificate (MCC) program assists low and moderate income first time home buyers. Under this program, which is administered by the County of San Diego, qualified first-time home buyers are able to take a federal income tax credit of up to 20 percent of the annual interest paid on their mortgage. This frees up more capital to buy the home. The City of Solana Beach stated that it would continue to distribute information on the MCC program.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Ongoing.

Status of Implementation: The City is in the process of obtaining the necessary brochures and will have them available in a very short time. The City still continues to work with individual applicants but there are very limited opportunities for this program to work in Solana Beach.

Program 16: Distribute Fair Housing Information

Program Description: The City of Solana Beach supports fair housing laws and statutes. To promote equal opportunity, the City stated that it would continue to participate in the Fair Housing Council of San Diego's (FHCSD) Fair Housing Program. The City also stated that it would continue to distribute the FHCSD's information on fair housing, and refers fair housing questions and housing discrimination claims to the FHCSD. Additionally, as part of the CDBG process, the City stated that it would continue to explore additional opportunities to enhance fair housing in the City, and that the City would distribute and make available informational material at both the Building and Planning Department counters and establish other venues (e.g., libraries and other public venues) and opportunities to distribute the information.

Objectives: No objectives were stated in the Housing Element.

Deadline in the Housing Element: Ongoing.

Status of Implementation: The City is in the process of obtaining the necessary brochures to distribute the Fair Housing Council of San Diego's (FHCSD's) information on fair housing and will have them available in a very short time. The City has not received any fair housing complaints but it will refer fair housing questions and housing discrimination claims, if they should occur, to the FHCSD. The City will continue to explore additional opportunities to enhance fair housing in the City, and that the City will distribute and make available informational material at both the Building and Planning Department counters and establish other venues and opportunities to distribute the information. The City also is in the process of determining if there is any other fair housing information and would make that available as well, should they find any.